

STATINTL

Dodd-Klein Ties Top Inquiry Agenda

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WASHINGTON, June 18 —

When the Senate ethics committee begins Monday its closed hearings into allegations of misconduct by Senator Thomas J. Dodd, it will inquire first into the relations between the Connecticut Democrat and Julius Klein, head of a Chicago public relations concern.

The hearings are an outgrowth of a request by the Senator last February for an investigation after Drew Pearson and Jack Anderson, Washington columnists, had written that Mr. Dodd had performed various favors and services for Mr. Klein, a registered agent of West German interests, in return for "expensive gifts."

The columnists also alleged in subsequent columns that the Senator had diverted campaign funds to his personal use and had done favors for several corporations having actual or prospective business with the Government.

On May 6 the Senator filed a \$5-million libel and conspiracy suit against the columnists, authors of the syndicated "Washington-Merry-Go-Round." On May 26 he reduced the claims in his suit from 14 to four and the damages asked from \$5-million to \$2-million.

Links to Klein

Of the remaining claims, the most important deals with the allegations about his relations with Mr. Klein, a retired major general in the Army Reserve, and the "stealing" of correspondence and documents from his files by former employees at the instigation of the columnists.

In a pretrial interrogation, James P. Boyd Jr., the Senator's administrative assistant for 12 years, said that he had with the help of other employees removed the documents and after copying them gave the copies to Mr. Pearson and Mr. Anderson.

Mr. Boyd will be the first witness at the Senate inquiry. He will be followed by Miss Marjorie A. Carpenter, the Senator's former personal secretary. The committee, which is formally titled the Select Committee on Standards and Conduct, will later hold open hearings.

At the inquiry the committee will be going over the same ground covered by the allegations involved in the trial.

In his complaint, Mr. Dodd said the columnists had falsely and maliciously said that he had accepted "expensive gifts from the West German agent [a Persian rug for the Dodd home, for example]"; that he was "an errand boy" for Mr. Klein, and

he had given speeches in the Senate "ghost-written for him" by Mr. Klein and "signed letters and entertained clients for Klein"; that he had traveled to Germany in April, 1964, to make a pitch to West German leaders and industrialists not to cancel their \$150,000-a-year contracts with Julius Klein's Public Relations, Inc., and that the columnists had sought to convey the impression that Mr. Dodd "had accepted bribes from Klein."

Charges Are Denied

The Senator has said he never accepted "a paper clip" from Mr. Klein.

Mr. Klein told The New York Times in a recent interview: "I want to state that this accusation by Pearson and Anderson is a dastardly lie and I am anxiously awaiting to state under oath that I have never given any member of Congress, directly or indirectly, any inducement, gift or favor to help me in my business. And this statement most certainly includes Senator Dodd."

In its inquiry the committee will seek to unravel several inconsistencies and fill in several gaps in the published Pearson-Anderson charges.

Mr. Klein has had close connections with former West German Chancellor Konrad Adenauer and his successor, Ludwig Erhard, with former Foreign Secretary Heinrich von Brentano and former State Secretary Hans Globke and his successor, Ludger Westrick. This connection stems partly from Mr. Klein's interest in restitution for Jewish victims of Nazi persecution and reparations to Israel.

One of Mr. Klein's principal foreign clients is the Förderkreise für Deutsch-Amerikanische Zusammenarbeit (Society for German-American Cooperation) in Wiesbaden, an organization of bankers, industrialists and professors that is subsidized in part by the West German Government. Mr. Klein, under the contract, receives from \$125,000 to \$150,000 a year from the society. Because of the Government subsidy, he must register as a foreign agent with the United States Department of Justice.

German Ties Noted

For some years before 1964 Mr. Klein also represented two German concerns — Mannesmann A.G., a metal-fabricating company, and Daimler-Benz, manufacturer of the Mercedes-Benz autos. Because they were commercial enterprises, he did not have to register as their agent. However, he lost both contracts, worth over \$100,000 a year, following an investigation into activities of foreign agents by the Senate Foreign Relations Committee.

Mr. Klein, who testified at those hearings, asserts that his clients were under the impression that a Congressional inquiry was the equivalent of a trial. For a while he feared he was also going to lose the Förderkries contract.

This is the background of the Klein allegations about his relationship with the Senator.

According to the Pearson-Anderson columns, the Klein-Dodd correspondence indicates that Mr. Klein, on several occasions, sent the Senator drafts of speeches with requests for delivery on the Senate floor, or drafts of letters to members of the German Government.

However, The Congressional Record indicates that the Senator often did not comply with the requests.

For example, Mr. Anderson wrote on Jan. 24 that Mr. Klein had sent the Senator a letter on Sept. 4, 1959, enclosing a speech "for Dodd to deliver" on the occasion of Chancellor Adenauer's 10th anniversary in office.

However, The Congressional Record shows that the speech was not made.

Mr. Anderson wrote in the same column that "again on Aug. 29, 1961, Klein wrote a letter... asking Dodd to deliver another speech giving 'Chancellor Adenauer the recognition he deserves.'"

The Congressional Record shows that the Senator did not give this speech, either.

Airport Incident Cited

Again on Jan. 31, the columnists wrote that when Mr. Dodd arrived at the Cologne airport on April 7, 1964, he "was caught in a zany tug-of-war between two welcoming parties — one headed by American Embassy Secretary Grant Mouser, the other headed by Gen. Julius Klein himself."

"They jostled one another for position around the Senator," the column continued. "To the astonishment of the Embassy people and German functionaries, Klein physically pulled the Senator away from the official party and steered him into a private automobile for the drive to Bonn."

But Mr. Klein says he could not have been in Cologne that day because he was in the United States.

Mr. Pearson and Mr. Anderson wrote that the Senator once used a draft of a letter prepared by Mr. Klein. This involved a message of congratulations to Dr. Westrick on Sept. 11, 1964, following Dr. Westrick's promotion to Cabinet minister.

Wordings Were Changed

The Senator reportedly faithfully followed the wordings

for one paragraph, which said: "Right now we are all busy with the Presidential campaign, I too am up for re-election in my home state — but devote much time to campaign for our

great President Lyndon Johnson. It was my honor to nominate him for President in the 1960 Democratic Convention... and am happy now that he is on his own."

Mr. Dodd changed that last phrase to:

"And we all hope that this great leader will receive a huge majority in November."

According to a letter covered in the Pearson-Anderson columns, Mr. Klein asked the Senator, during his trip to Germany in April, 1964, to explain to German leaders that the Foreign Relations Committee hearings were not a trial and that Mr. Klein was performing a great service for German-American relations.

He asked the Senator to remind Chancellor Adenauer that Vice President Humphrey had said:

"Julius Klein has more friends in the Senate and the House of Representatives than any man I know... He has done a great deal of good for his clients, and they are well represented by him."

Mr. Klein reminded the Senator that Dr. Karl Carstens, Secretary of State for Foreign Affairs, "was the man who gave support to the German group — the Society to Promote German-American Cooperation, Wiesbaden—that engaged me to handle political public relations. He is the key to the problem [of whether the contract would be renewed], as without the support from his office, the Wiesbaden group could not function."

Role Is Unclear

What is not clear, however, is whether Mr. Dodd actually pleaded Mr. Klein's case at any length.

Nor has any evidence been adduced publicly so far that the Senator had received anything of value from Mr. Klein except the occasional use of Mr. Klein's New York apartment and the purchase of a \$1000 table at a testimonial dinner for Mr. Dodd.

Mr. Klein has freely acknowledged the gift of the rug—a 9-by-14-inch cotton imitation of a Persian rug worth \$2—as a kind of joke Christmas present in 1964. He gave similar rugs to other political friends whose names will probably be disclosed when Mr. Klein testifies.